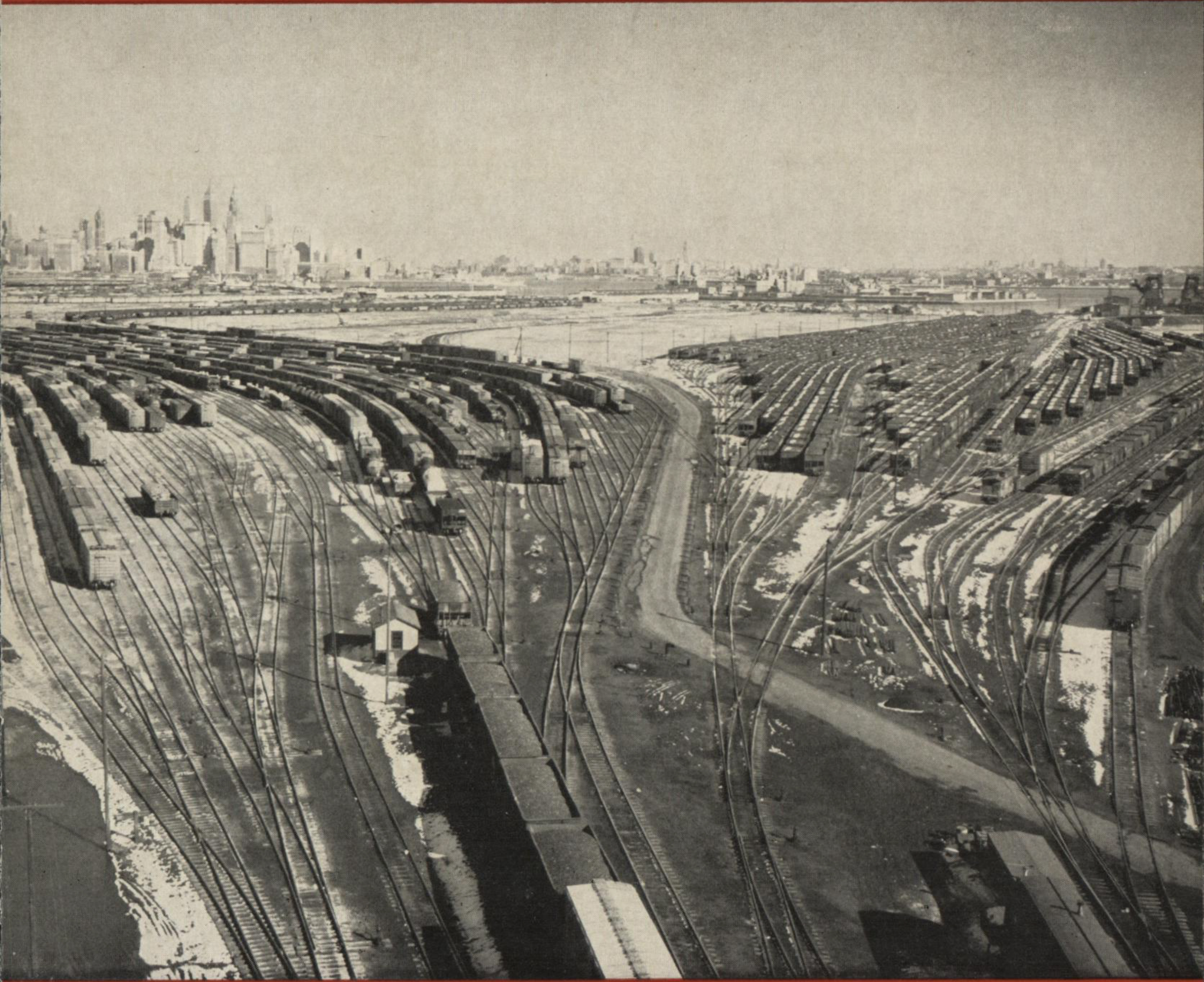
JERSEY CENTRAL LINES



THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

Annual Report....1956

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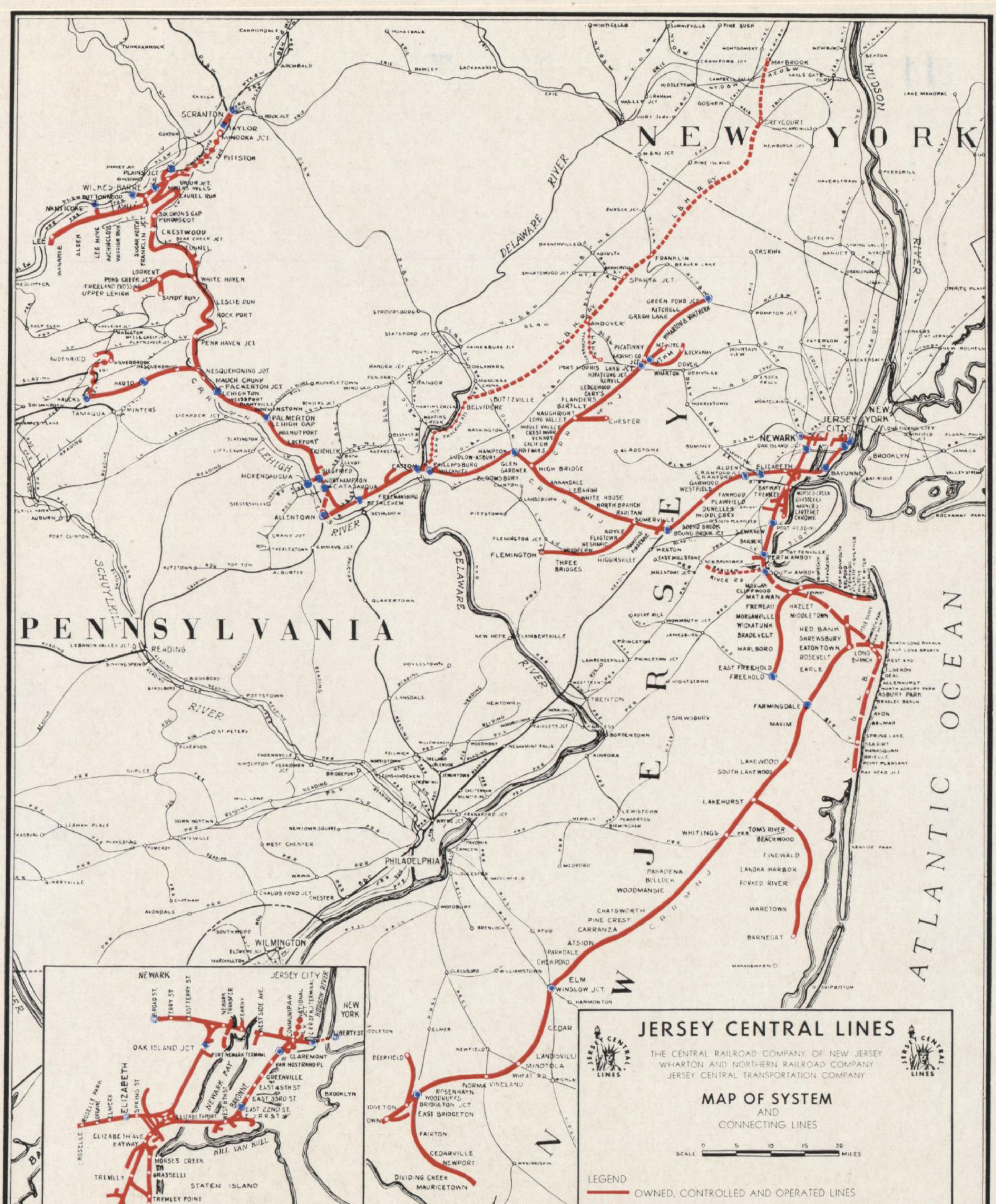


JERSEY CENTRAL LINES

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY
WHARTON AND NORTHERN RAILROAD COMPANY
JERSEY CENTRAL TRANSPORTATION COMPANY

MAP OF SYSTEM

AND
CONNECTING LINES

SCALE 0 5 10 15 20 MILES
LEGEND
OWNED, CONTROLLED AND OPERATED LINES
TRACKAGE RIGHTS
LINES OPERATED IN WHICH THE C.R.R. CO. OF N. J. HAS A SUBSTANTIAL INTEREST:
THE NEW YORK AND LONG BRANCH RAILROAD CO.
THE ALLENTOWN TERMINAL RAILROAD CO.
BAY SHORE CONNECTING RAILROAD CO.
LINES NOT OPERATED IN WHICH THE C.R.R. CO. OF N. J. HAS A SUBSTANTIAL INTEREST:
THE LEHIGH AND HUDSON RIVER RAILWAY CO.
RARITAN RIVER RAILROAD CO.
PRINCIPAL FREIGHT INTERCHANGE POINTS
OFF. OF CHIEF ENGINEER
JERSEY CITY, N. J.
PENNSYLVANIA
NEW YORK
NEW JERSEY
ATLANTIC OCEAN
DELAWARE RIVER
HUDSON RIVER
LEHIGH RIVER
SCHUYLKILL RIVER
DELAWARE BAY
SCRANTON
WILKES-BARRE
NANTICOKE
LEE
WHITE HAVEN
MAUCH CHUNK
LEHIGHTON
PALMERTON
ALLENTOWN
BETHLEHEM
EASTON
PHILLIPSBURG
HAMPTON
HIGH BRIDGE
SOMERVILLE
BOUND BROOK
ELIZABETH
NEWARK
JERSEY CITY
NEW YORK
BAYONNE
PERTH AMBOY
SOUTH AMBOY
RED BANK
LONG BRANCH
FREEHOLD
FARMINGDALE
LAKEWOOD
LAKEHURST
TOMS RIVER
BARNEGAT
WINSLOW JCT.
VINELAND
BRIDGETON
READING
PHILADELPHIA
WILMINGTON
TRENTON
FLEMINGTON
WHARTON
MAYBROOK
TERMINAL DISTRICT
SCALE 0 1 2 3 4 5 MILES
STATEN ISLAND
LOWER NEW YORK BAY
KILL VAN KULL
ARTHUR KILL
NEWARK BAY
RARITAN RIVER

JERSEY CENTRAL LINES

DIRECTORS

The Central Railroad Company of New Jersey

*Roy B. White, *Chairman*
*Revelle W. Brown
*J. Hamilton Cheston
Joseph A. Fisher
*Frank C. La Grange
Irving N. Like
Earl T. Moore
*Fred N. Oliver
Julius A. Rippel
James E. Smith
William I. Woodcock, Jr.
**Member, Executive Committee*

Wharton and Northern Railroad Company

N. Newlin Baily
Revelle W. Brown
Ludwig R. Dohm
William V. Griffin
Judson C. McLester, Jr.
Earl T. Moore
Robert E. Teston

Jersey Central Transportation Company

N. Newlin Baily
Harry W. Dorigan
Judson C. McLester, Jr.
Earl T. Moore
Robert E. Teston

APR 10 1957 A

OFFICERS

EARL T. MOORE
PRESIDENT

N. NEWLIN BAILY
VICE PRESIDENT AND GENERAL MANAGER

JUDSON C. McLESTER, JR.
VICE PRESIDENT AND GENERAL COUNSEL

HARRY W. DORIGAN
VICE PRESIDENT—TRAFFIC

RALPH E. THOMPSON
CHIEF ACCOUNTING OFFICER

ROBERT E. TESTON
SECRETARY AND TREASURER

BERNARD J. MINETTI
CHIEF ENGINEER

GEORGE R. MERRYMAN
PURCHASING AGENT

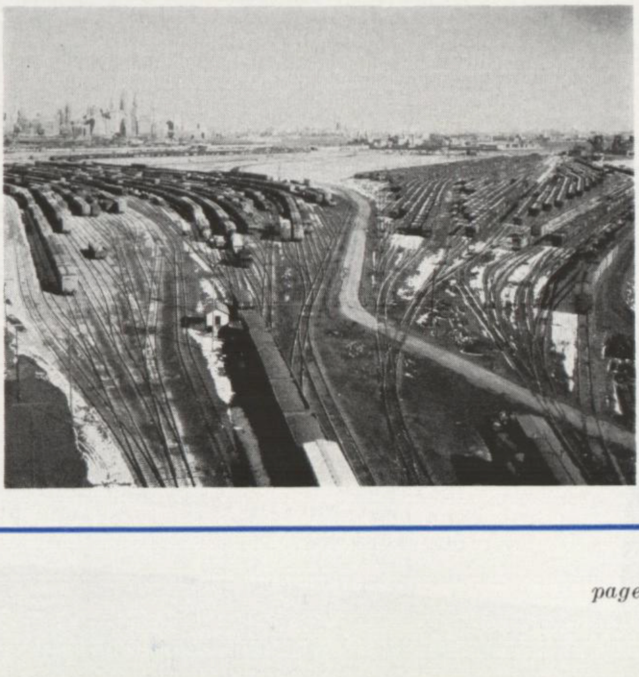
PHILIP M. PARKER
PROPERTY MANAGER

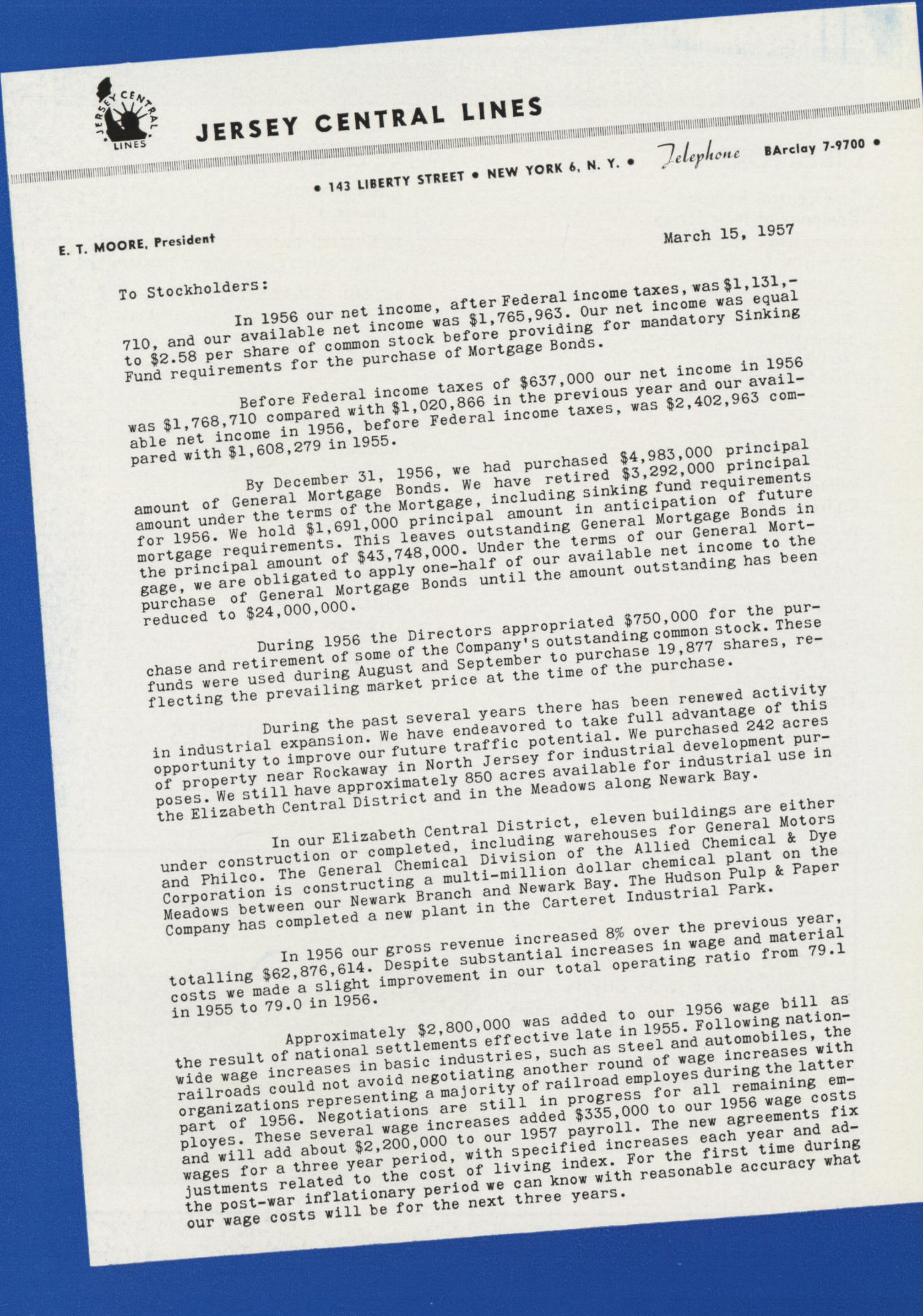
IRA GOLDOWSKY, M.D.
MEDICAL DIRECTOR

GENERAL OFFICES

143 LIBERTY STREET
NEW YORK 6, N. Y.

COVER: Included in Jersey Central's terminal area at Jersey City, N. J., are the yards shown here. Pier 18, our tidewater coal pier in New York Harbor, is in extreme right background, with the lower Manhattan skyline in left background.





JERSEY CENTRAL LINES

• 143 LIBERTY STREET • NEW YORK 6, N. Y. • *Telephone* BArclay 7-9700 •

E. T. MOORE, President

March 15, 1957

To Stockholders:

In 1956 our net income, after Federal income taxes, was $1,131,710, and our available net income was $1,765,963. Our net income was equal to $2.58 per share of common stock before providing for mandatory Sinking Fund requirements for the purchase of Mortgage Bonds.

Before Federal income taxes of $637,000 our net income in 1956 was $1,768,710 compared with $1,020,866 in the previous year and our available net income in 1956, before Federal income taxes, was $2,402,963 compared with $1,608,279 in 1955.

By December 31, 1956, we had purchased $4,983,000 principal amount of General Mortgage Bonds. We have retired $3,292,000 principal amount under the terms of the Mortgage, including sinking fund requirements for 1956. We hold $1,691,000 principal amount in anticipation of future mortgage requirements. This leaves outstanding General Mortgage Bonds in the principal amount of $43,748,000. Under the terms of our General Mortgage, we are obligated to apply one-half of our available net income to the purchase of General Mortgage Bonds until the amount outstanding has been reduced to $24,000,000.

During 1956 the Directors appropriated $750,000 for the purchase and retirement of some of the Company's outstanding common stock. These funds were used during August and September to purchase 19,877 shares, reflecting the prevailing market price at the time of the purchase.

During the past several years there has been renewed activity in industrial expansion. We have endeavored to take full advantage of this opportunity to improve our future traffic potential. We purchased 242 acres of property near Rockaway in North Jersey for industrial development purposes. We still have approximately 850 acres available for industrial use in the Elizabeth Central District and in the Meadows along Newark Bay.

In our Elizabeth Central District, eleven buildings are either under construction or completed, including warehouses for General Motors and Philco. The General Chemical Division of the Allied Chemical & Dye Corporation is constructing a multi-million dollar chemical plant on the Meadows between our Newark Branch and Newark Bay. The Hudson Pulp & Paper Company has completed a new plant in the Carteret Industrial Park.

In 1956 our gross revenue increased 8% over the previous year, totalling $62,876,614. Despite substantial increases in wage and material costs we made a slight improvement in our total operating ratio from 79.1 in 1955 to 79.0 in 1956.

Approximately $2,800,000 was added to our 1956 wage bill as the result of national settlements effective late in 1955. Following nationwide wage increases in basic industries, such as steel and automobiles, the railroads could not avoid negotiating another round of wage increases with organizations representing a majority of railroad employes during the latter part of 1956. Negotiations are still in progress for all remaining employes. These several wage increases added $335,000 to our 1956 wage costs and will add about $2,200,000 to our 1957 payroll. The new agreements fix wages for a three year period, with specified increases each year and adjustments related to the cost of living index. For the first time during the post-war inflationary period we can know with reasonable accuracy what our wage costs will be for the next three years.

The general 7% increase in freight rates, with lesser amounts for coal and certain other commodities, authorized by the Interstate Commerce Commission at the end of December, was designed to offset the increase in wage and other costs. The increases for certain commodities were limited and our net increase should amount to about 5.6%. There has been a sharp decline in traffic volume during the early part of 1957 which is only partly due to a New York Harbor strike of tugboat employes and a general strike of longshoremen along the eastern seaboard. The net effect on gross revenue resulting from increased freight rates cannot be predicted until we can more accurately determine what our traffic volume will be during 1957. A petition for a further upward adjustment in freight rates, based upon the railroad industry's right to a fair return on its investment, to which the Jersey Central is a party, is now the subject of investigation and hearings by the Interstate Commerce Commission.

Basic passenger fares were increased 5% effective February 2, 1957. Interstate commutation fares were increased approximately 7% effective January 27, 1957, and for the first time in the post-war period a commutation fare increase became effective without organized protests from commuter groups. A petition for similar increases in intrastate commutation fares is now pending before the Interstate Commerce Commission. If the increases in intrastate commutation fares are authorized, the aggregate passenger fare increases will add approximately $500,000 to our gross passenger revenues—an amount sufficient to offset the recent increase in wage costs directly related to passenger operations. However, our out-of-pocket losses from all passenger operations are still continuing at a rate of about $3,000,000 annually.

We must continually increase our efficiency of operation in order to minimize the effects of constantly rising costs. Later this year we will complete the installation of 43 miles of centralized traffic control. We have rebuilt and modernized our eastbound car retarder hump yard at Allentown. We are modernizing and enlarging our Ashley Yard. This will result in discontinuing all switching and classification operations at Penobscot Yard. We have recently placed in service at our Pier 18 coal dumpers, Jersey City, the first installation of car retarders at any New York Harbor coal pier, resulting in a 20% reduction in labor costs. We soon will place in service two new freight houses at our Metropolitan Freight Station in Elizabeth. These buildings, with platform area of 28,800 square feet, when added to our already considerable facilities there, will constitute the largest concentration of completely modern and efficient package freight handling facilities in this area.

Unfortunately, the savings we can achieve through such efficiencies are not great enough to offset the burden of our passenger losses or the effect of New Jersey's highly discriminatory tax structure. We hope that the studies of the Metropolitan Rapid Transit Commission will point the way toward a solution of the passenger deficit problem. Recent decisions of the New Jersey Supreme Court have held that some action must be taken to equalize real property assessments throughout the state. But, until the standards for measuring equality of assessments are established either by administrative or by legislative action, we cannot determine what the effect may be on New Jersey railroad taxes.

I express my continued appreciation for the support and cooperation of all Jersey Central employes and security-holders and to the customers whose patronage makes our service possible.

Moore

FINANCIAL SUMMARY OF 1956

Income

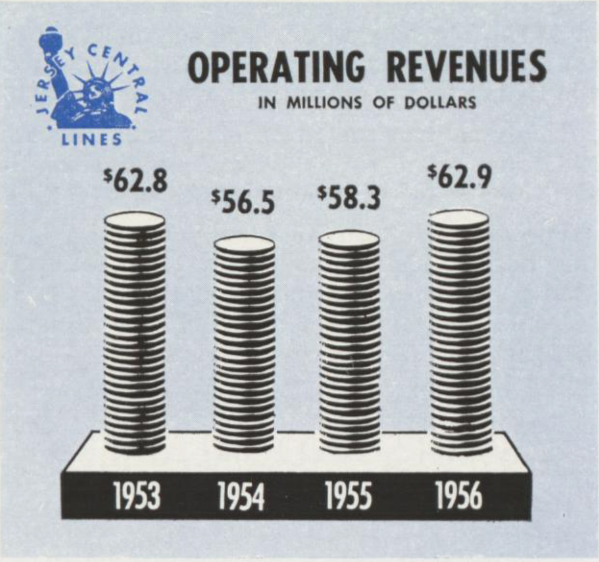
	1956	*1955*
Receipts from freight, passenger and miscellaneous operations	$62,876,614	$58,314,048
Other receipts	927,952	803,474
Total receipts	$63,804,566	$59,117,522

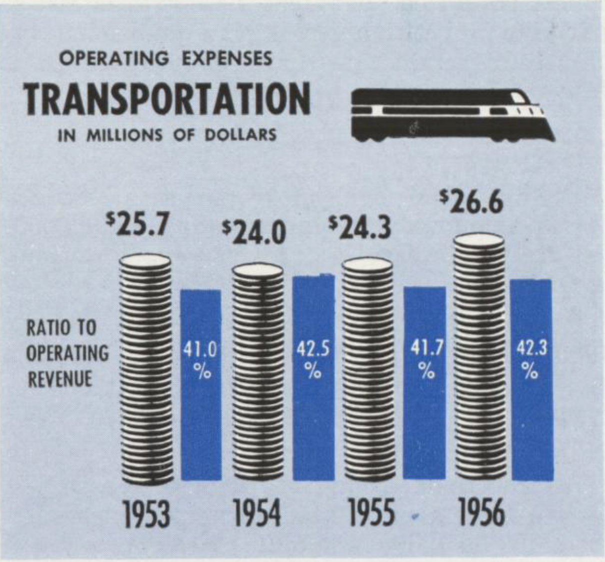
Expenses

	1956	*1955*
Cost of maintaining and operating the property	$49,673,404	$46,143,727
Rents and miscellaneous costs	4,828,516	4,531,457
Taxes	6,238,157	5,370,542
Interest	1,932,779	2,050,930
Total costs	$62,672,856	$58,096,656
Net Income	$ 1,131,710	$ 1,020,866
Charges against income for property retired and not replaced	634,253	587,413
"Available Net Income"	$ 1,765,963	$ 1,608,279

Capital Fund

	1956	*1955*
Amount in Capital Fund at close of year	$ 2,589,375	$ 2,531,421





TRAFFIC AND REVENUES

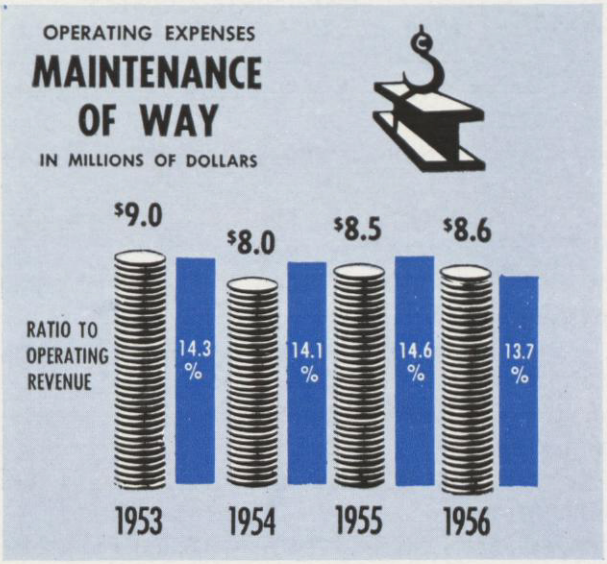
Freight

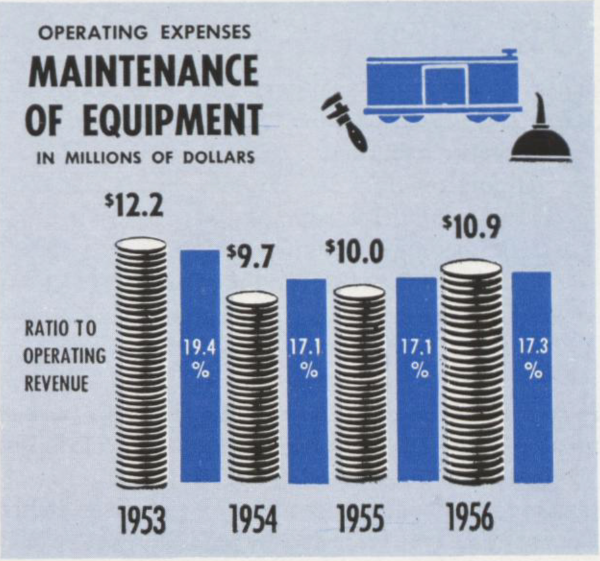
Revenue from freight traffic advanced to $52,522,941 in 1956 from $48,483,733 in 1955, representing an increase of 8%. Carloads, including traffic received from connections, increased 7% in 1956 over 1955.

Anthracite coal traffic remained virtually steady in 1956, helped somewhat by our handling of about 4,700 carloads for export through the Port of Philadelphia. This commodity produced about 11% of our total freight revenues last year, as against 13% in 1955. Carloads of bituminous coal increased 28% in 1956 and represented 16% of our total freight revenue, compared with 13% in 1955. Carloads of general merchandise increased 3% over 1955.

Our cement tonnage increased 6% and the receipt of 100 new covered hopper cars during May 1956, helped us to compete favorably in the handling of this traffic.

Effective December 28, 1956, the Interstate Commerce Commission authorized a 7% freight rate increase on most commodities, with smaller increases applicable on certain commodities. These adjustments, authorized in response to a petition filed by eastern railroads on November 6, 1956, produced an average increase for us of 5.6%. This increase was designed to offset wage increases effective November 1, 1956, and at least partially offset other increased costs. If these freight rate increases had been in effect during 1956, they would have produced additional revenue of $2,800,000. Traffic volume in the early part of 1957 has declined and the effect on our gross revenues cannot be predicted until the traffic level be-





THE COMBINED TRANSPORTATION-MAINTENANCE charges for 1956 were slightly less than in 1953, notwithstanding substantially increased wages and other costs. Total revenues were about the same.

comes stabilized. The Jersey Central is also a party to a petition seeking an additional increase in freight rates in an effort to obtain a fair rate of return on investment.

Passenger

During 1956 our out-of-pocket passenger losses amounted to approximately $3,000,000, despite an increase in gross passenger revenue of $465,000.

Revenue from all passenger service during 1956 rose 6%. Revenue from passengers increased 9%. Revenue from mail, which decreased 14% in 1955, increased 4% in 1956. Revenue from express decreased 3%.

An additional round of wage increases, effective November 1, 1956, increased passenger costs by $450,000 annually. Basic passenger fares were increased 5% effective February 2, 1957; interstate commuter fares about 7% effective January 27, 1957, and an increase in intrastate commuter fares is now pending before the Interstate Commerce Commission. If authorized, the combined result of these fare increases should produce slightly more additional revenue than the increased costs resulting from the most recent wage increases.

TAXES

Federal taxes on income were accrued in the amount of $637,000 in 1956, compared with none in 1955. Carry-over losses and accelerated amortization of emergency defense facilities had been sufficient to eliminate taxable income in 1955. We had no accelerated amortization and the balance of carry-over losses applicable was insufficient to offset taxable income in 1956.

Taxes paid to the State of New Jersey for 1956 amounted to $3,472,693, equivalent to $7.93 per share of common stock outstanding.

The rate for Railroad Unemployment Insurance tax applicable to employes' earnings up to $350 per month, was increased from 1½% to 2% effective January 1, 1957. It is estimated that this increase will cost approximately $145,000 in 1957.

WAGES AND SALARIES

Following the nation-wide round of increases granted in basic industries like steel and automobiles, the railroads were confronted with demands for general wage increases. It is estimated that settlement of these requests will add approximately $2,200,000 to the Jersey Central's 1957 wage bill. Thus far, settlements have been made with 13 organizations and are pending with seven others.

For the first time since World War II, settlements were made on more than a one-year basis. Most of them provide for a fixed increase on November 1, 1956, plus additional increases on November 1 of the two following years. Their terms also forbid any rule changes during this period that would materially affect compensation. Thus, for the first time since the War, we are able to project our wage costs for a

Trend of Revenue and Expense from Passenger Service

	(Thousands of Dollars)			
	1956	*1955*	*1954*	*1953*
Gross Revenue: Passenger, Mail and Express	$ 8,787	$ 8,295	$ 8,446	$ 8,568
Operating expenses related solely to passenger service				
Directly assigned	9,829	9,001	9,226	10,443
Apportioned*				
Locomotive repairs	667	625	711	934
Locomotive depreciation	244	268	302	315
Payroll taxes for passenger service employes	465	400	410	456
Property taxes on property used solely for passenger service	615	602	592	526
Total operating expense related solely to passenger service	11,820	10,896	11,241	12,674
Loss, on basis of revenue and expense related solely to passenger service	3,033	2,601	2,795	4,106
Passenger service proportion of expenses incurred jointly for passenger and freight service	3,287	3,407	3,393	4,240
Total Loss, before Fixed Charges	6,320	6,008	6,188	8,346

*—That portion related solely to passenger service.

IMPROVEMENTS AT ASHLEY, PA., include enlarged yard facilities, upper left, and a new consolidated yard and office building, inset at right, which has enabled us to retire several obsolete buildings. Along with other track changes and the installation of modern equipment, these improvements permit improved service at less expense. The building in upper right corner is the Huber Breaker, largest and most modern in the area, owned by the Glen Alden Corporation.

three-year period with some degree of accuracy.

Included in these settlements is a cost-of-living feature which provides for an additional one cent per hour for each five-tenths of a point increase in the cost-of-living index, as of March and September 15 of each succeeding year, based on an index of 117.1 for September 15, 1956.

INDUSTRIAL DEVELOPMENT

During 1956, 49 new industries, with an estimated annual traffic potential of 14,500 cars, established their operations along our system. Twenty on-line industries expanded their facilities for an estimated gain of 3,800 carloads a year.

With the co-operation of D. O. Evans, industrial contractor, the Elizabeth Central District is developing rapidly. Eleven buildings, with 516,000 square feet of floor space, are under actual construction or completed, and several more will soon be started. Such national concerns as General Motors Corporation and Philco Corporation have located large distribution warehouses here.

The General Chemical Division of Allied Chemical and Dye Corporation has exercised its option to purchase 120 acres of meadowland, of which 95 acres between our Elizabethport-Newark Branch and Newark Bay were owned by the Jersey Central. This concern has commenced the construction of a multi-million-dollar chemical plant at this site. This represents the first industrial development in this large area of vacant property fronting on Newark Bay. The meadowland in this vicinity is being rapidly filled in and is now accessible by a paved road extending almost to the waterfront. If the present national activity in industrial expansion continues, this area should provide substantial freight traffic for the Jersey Central in the future.

The Hudson Pulp and Paper Company has completed its plant at Carteret Industrial Park and we have every reason to expect further development in this area within the next year or two.

The Port of New York Authority's $9,000,000 expansion program for new piers for Norton Lilly and Company at Port Newark is making good progress and the new facilities are scheduled to be in operation in the early part of 1958.

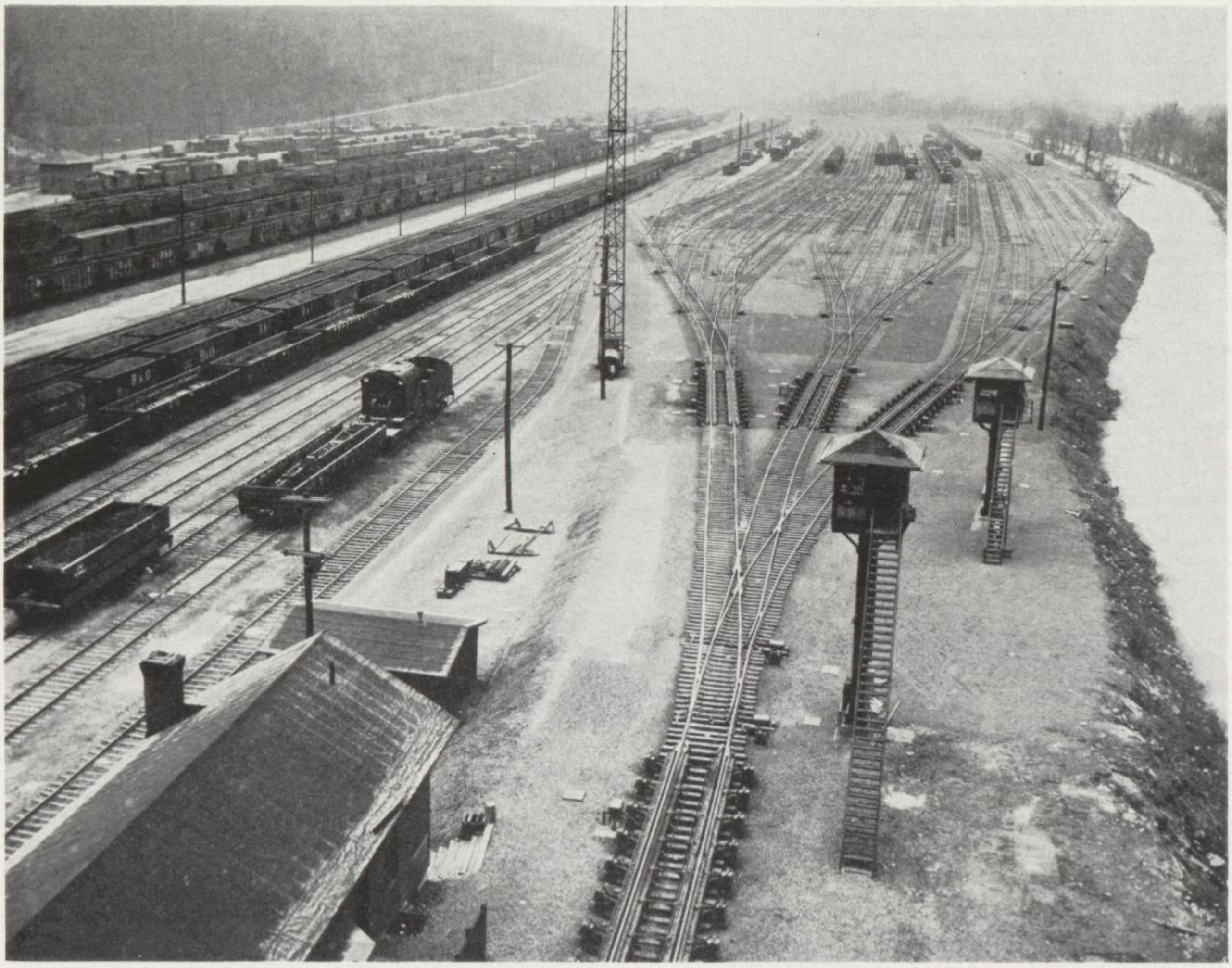
We have purchased 242 acres of property near Rockaway in northern New Jersey and in cooperation with Brown and Matthews, New York engineers and constructors, we will develop this property for industrial use.

IMPROVEMENTS

Further modernization of our operations at Pier 18, Jersey City, made it the most efficient coal handling facility in New York Harbor. Installation of car retarders to control the movement of coal cars to and from the dumpers was completed in 1956 at a cost of approximately $465,000. This improvement has facilitated the handling of our sharply increased volume of bituminous coal, and has also resulted in an estimated annual savings of approximately $90,000. Installation of closed-circuit television to facilitate communications in the operation of the dumpers has been authorized and electrically-operated doors on the thaw sheds will be installed in 1957.

Work on the installation of 45 miles of centralized traffic control between Jim Thorpe and Mountain Park, Pa., was advanced during 1956, and will be completed in 1957.

TWO OF SEVEN NEW car retarders at Pier 18, tidewater coal pier at Jersey City, N. J., are shown here at lower left and center. At right is the new tower from which the retarders are operated. In background are Pier 18's two McMyler car dumpers. Installation of retarders and other improvements here have made Pier 18 the most modern and efficient coal handling pier in New York Harbor.



RIGHT SIDE OF PHOTOGRAPH shows rebuilt and modernized eastbound hump retarder yard at Allentown, Pa. Four modern, heavy-duty car retarders have been installed here, replacing outmoded ones. Grades throughout the yard have been improved and yard tracks have been respaced, making the eastbound yard equal in efficiency to the modern westbound yard facilities (upper left background) completed in 1952.

This new system permits the retirement of one of two tracks between these two points and makes its possible for the train dispatcher at Allentown to control operations on the remaining single track. Without any reduction in our capacity, we will realize an annual labor and maintenance saving of approximately $97,000—and will avoid the cost of restoring 20 miles of track destroyed by floods in August 1955. Total cost of this installation will be about $591,000.

We have just completed two new freight houses with a total of 28,800 square feet of floor space at Elizabeth, N. J., which makes our Metropolitan Freight Station there the largest facility in this area for handling less-than-carload freight. In addition to our own LCL operations, these facilities accommodate the freight forwarding operations of ABC Freight Forwarding Corp., Blue Ribbon Express, Inc., Midland Freight Forwarding Co., Republic Carloading & Distributing Co., Inc., and Springmeier Shipping Co., Inc.

Improvements in our Ashley Yard, started in 1956, will be completed during 1957. The use of Penobscot Yard has already been substantially reduced, and will be discontinued entirely as a switching and classification yard when improvements at Ashley are completed. A new consolidated yard and office building, which permits the retirement of obsolete buildings and provides for improved lighting and yard communications, has been completed. It will permit a material improvement in service for all traffic moving via our connections in the Wilkes-Barre-Scranton area, including anthracite coal originating locally, and will effect substantial savings in operating and maintenance expense.

The rebuilding and modernization of our eastbound hump retarder yard at Allentown, started in 1956, will be completed in 1957. This project consists of changing the grades throughout the yard, and replacing with modern equipment the retarders installed about 30 years ago. Those retarders were among the

SHOWN ABOVE are two of the three new self-propelled RDC-1 Budd cars we received in December, 1956, and January, 1957. Our Budd fleet now totals seven, and enables us to offer more attractive suburban service while holding operating costs to the least possible amount consistent with service requirements.

HERE IS one of the 100 new covered cement hopper cars purchased in 1956. We have placed orders for 50 additional such cars which we expect to receive in the second quarter of 1957. These new cars will enable us to continue to compete favorably for cement traffic, which increased 6 per cent in tonnage in 1956.

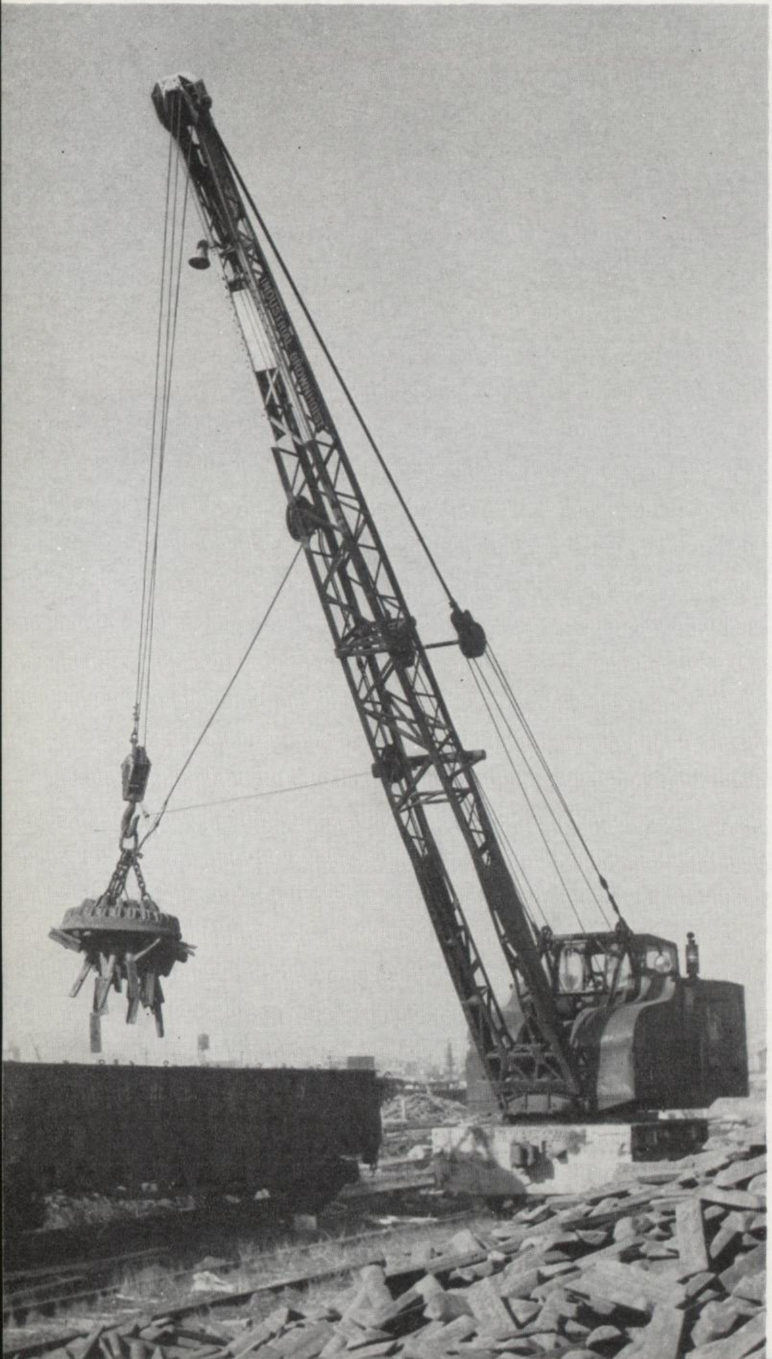
first to be installed in the east. With the completion of this project, we will have efficient and completely modern east and westbound classification yards at Allentown.

The modernization of signals between Elizabeth and Cranford was further advanced in 1956 and will be completed in 1957. During 1956, we retired 3.64 miles of main track between Bound Brook and Raritan and installed signalling for two-way traffic on the middle of the three tracks remaining between those points.

Our Terrill Road highway bridge, located on the city line between Plainfield and Fanwood, New Jersey, no longer adequate to the existing flow of vehicular traffic, was reconstructed in cooperation with the two municipalities and the county. The cost to the railroad was approximately $88,000.

During 1956 we received delivery of six 2400 h.p. diesel-electric locomotives costing $1,460,000, which we had ordered in 1955. In addition, we received 100 cement hopper cars ordered the previous year and 100 new insulated box cars under a 10-year lease agreement.

We received three additional RDC Budd cars, two in December 1956 and one in January 1957. These three cars brought our total Budd car



NEW DIESEL cranes like this one are now in service in our lighterage yards at Jersey City. With the acquisition in 1956 of four additional similar cranes for use in maintenance work, we completed the change-over from steam-operated equipment.

ONE phase of our employe safety program in 1956 consisted of holding "open houses" for employes and their families at key locations along the line. One of these was at our car and locomotive shops at Elizabethport, N. J., where this picture was taken. The open house events, which include a guided tour of the location visited, enable employes to acquire a realization of the work performed by others, and give employes' families an opportunity to see what the family breadwinner does at work, where he does it, the tools and equipment he works with, and the provisions made for his safety.

fleet to seven. The original four cars made possible streamlined suburban passenger schedules in 1954. The additional three cars replace enough diesel locomotives and conventional passenger equipment to amortize the cost of these attractive cars.

We also purchased in 1956 four 25-ton diesel cranes, one crawler crane and one swing loader at a total cost of $275,000. Acquisition of these new diesel cranes completed our program of replacing obsolete steam-operated equipment.

To keep pace with our increasing cement traffic, we have ordered for delivery in the second quarter of 1957 an additional fifty cement hopper cars at a cost of $410,000. In January 1957, we also placed orders for fifty 65 ft. 70-ton gondola cars and fifty 50-ton box cars at a cost of $836,000.

PROPERTY SALES

Seventy-two parcels of land with an area of 137½ acres were sold in 1956 for a total consideration of $917,000.

Among these parcels were freight house properties at Elizabeth, Carteret and East Ferry St., Newark, N. J., which sold for a total of $167,000. These were made available for sale by the consolidation of less-than-carload operations at Elizabeth.

Also included in the $917,000 total was $73,500 for the passenger station grounds at Dunellen, which we no longer needed as a result of the Dunellen grade crossing elimination project.

PUBLIC AND EMPLOYE RELATIONS

Our efforts to earn good will and understanding both among our customers and on-line residents continued in 1956, with somewhat greater emphasis on executive-level talks to civic and community groups at various locations. These talks, stressing commuter losses and inequitable taxation, have been receiving favorable editorial comment in key newspapers.

Our "Jersey Central Commuter's Almanac", a folder inaugurated in December of 1955 and distributed on train seats the first of each month, continues to be well received by both commuters and mid-day travelers. Through this medium, we have continued to inform our passengers of the transportation problems in the New York metropolitan area and have emphasized the stake of the communities in a prompt solution.

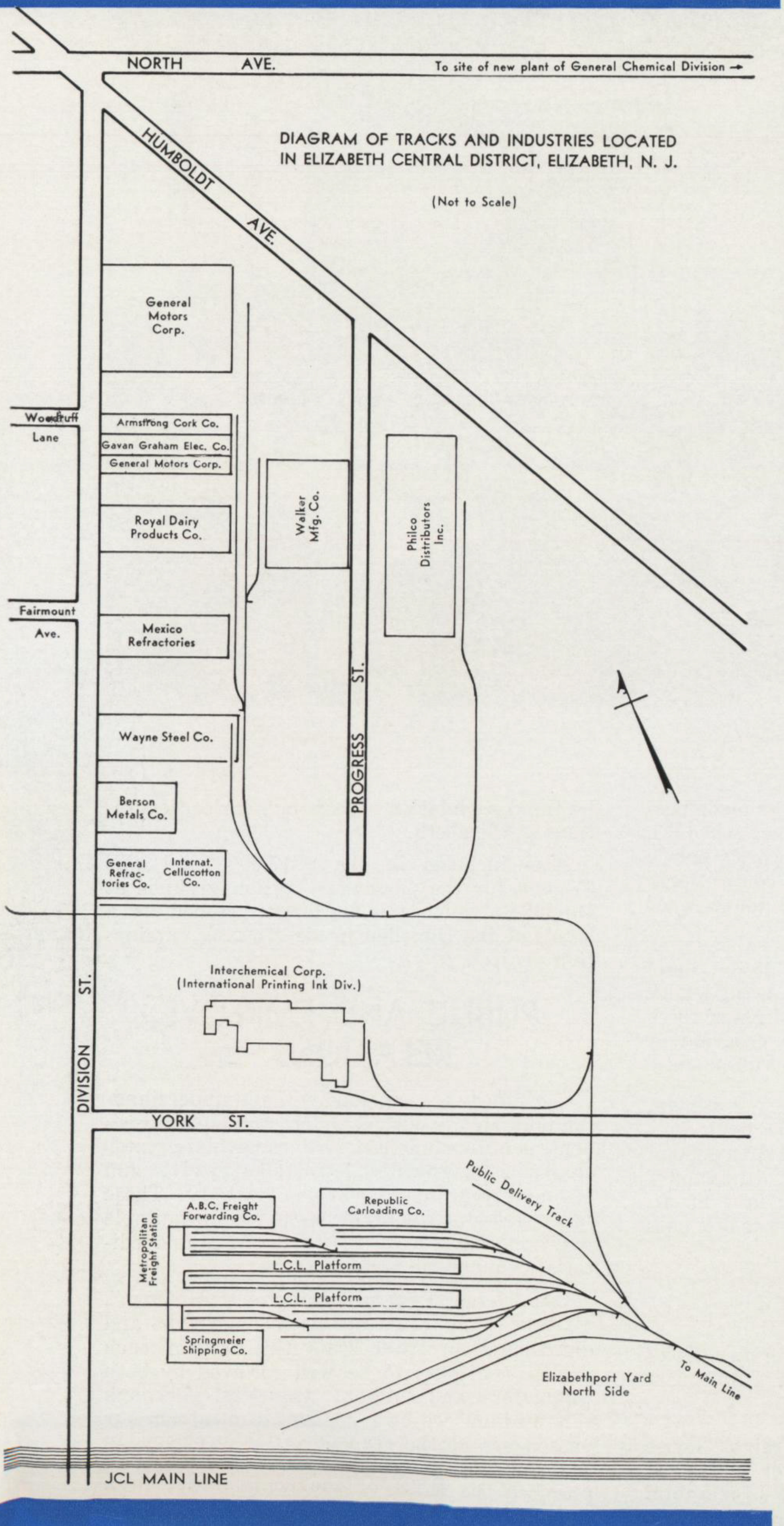


DIAGRAM OF TRACKS AND INDUSTRIES LOCATED IN ELIZABETH CENTRAL DISTRICT, ELIZABETH, N. J.
(Not to Scale)
NORTH AVE.
To site of new plant of General Chemical Division →
HUMBOLDT AVE.
General Motors Corp.
Woodruff Lane
Armstrong Cork Co.
Gavan Graham Elec. Co.
General Motors Corp.
Royal Dairy Products Co.
Walker Mfg. Co.
Philco Distributors Inc.
Fairmount Ave.
Mexico Refractories
PROGRESS ST.
Wayne Steel Co.
Berson Metals Co.
General Refractories Co.
Internat. Cellucotton Co.
Interchemical Corp. (International Printing Ink Div.)
DIVISION ST.
YORK ST.
Public Delivery Track
A.B.C. Freight Forwarding Co.
Republic Carloading Co.
Metropolitan Freight Station
L.C.L. Platform
L.C.L. Platform
Springmeier Shipping Co.
Elizabethport Yard North Side
To Main Line
JCL MAIN LINE

ABOVE: Some of the 10 concerns already doing
industrial tract at Elizabeth, N. J., known as Eliz
their operations in the modern one-story building
at extreme right is that of General Motors Corp
of sketch at left. Buildings under construction at
Corporation and Walker Manufacturing Company

INDUSTRIAL DEV
and new freight
AT ELIZABETH

LEFT: This sketch shows concentration of industrial activity and freight house operations at Elizabeth, together with their location with respect to our main line tracks.

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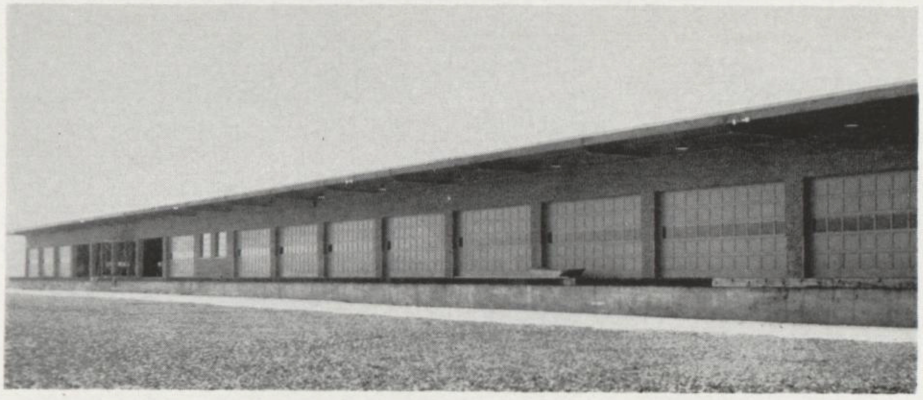
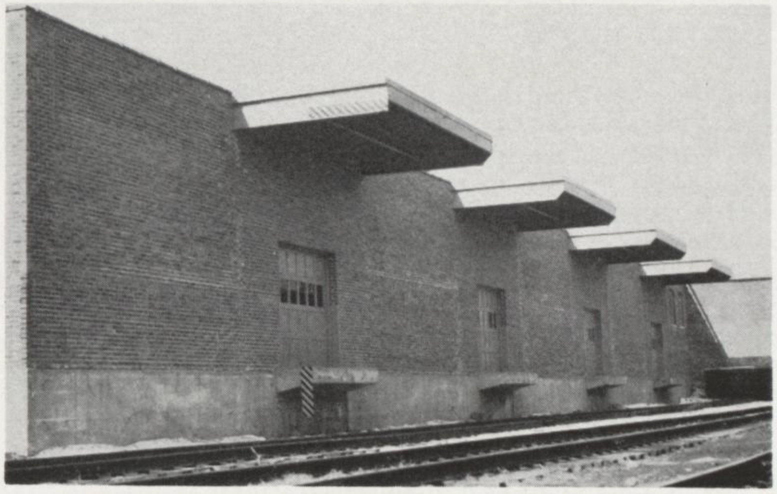
BELOW: In early stage of construction is the m
being erected by the General Chemical Divisio
Corporation in the Elizabeth meadows between
and Newark Bay. Lift spans of Jersey Central's
Bay are in left center background.

ɔusiness at Jersey Central Lines' abeth Central District, conduct ıs shown at the right. Building ɔration, also indicated near top left and center are for Philco , respectively.

ELOPMENT
houses
, N. J.





GHT: Two new freight houses aring completion adjacent to etropolitan Freight Station (see tch at left). Top photo shows ight house to be used by Re- blic Carloading & Distributing mpany, Inc.; lower photo shows one to be used by Springmeier ipping Company, Inc. Together, ey contain 28,800 square feet of or space.

lti-million-dollar chemical plant of Allied Chemical and Dye ur Elizabethport-Newark Branch four-track drawbridge over the

JERSEY CENTRAL LINES

Seasons Greetings

ONE of our contacts with passengers is maintained through our commuter clubs. During the 1956 year-end holiday period, home-made, inexpensive yet attractive club car "Christmas Cards" were provided to complement other car decorations provided by club members. Photo shows cards being constructed.

Our bulletin screen at Liberty Street Ferry Terminal, New York, which was first put to use in October of 1953, has more than ever become a looked-for source of information for our commuters each weekday evening, when timely and informative messages are projected on it.

More of our daily riders have formed commuter clubs and have rented specially-equipped, air-conditioned cars at a charge in addition to their regular fares. We now enjoy a close relationship with 16 such clubs, with a membership totalling approximately 1,750.

Jersey Central employes continue to be leaders in Railroad Communities Committees at Newark and in the Allentown-Bethlehem-Easton area. These groups actively participate in community projects, and their trained speakers carry the railroad story to many civic and service clubs throughout their areas.

We have continued our joint efforts with other New Jersey railroads to bring about more equitable state tax policies, and there is evidence that while an acceptable solution is not actually in sight, there is a growing public understanding of the unfairness of New Jersey railroad taxation.

The year 1956 saw more ideas from employes submitted to and adopted by our Suggestion Plan than any year to date since the Plan was inaugurated in 1945. In 1956, 1,117 ideas were submitted and 260 awards totalling $4,014 were made. Altogether, through December 31, 1956, the Plan has elicited 9,262 suggestions, with 1,505 winning a grand total of $24,000.

ORGANIZATION CHANGES

Mr. Bernard J. Minetti was appointed Chief Engineer April 1, 1956, succeeding Mr. Sydney L. Mapes, who retired after 44 years with the Jersey Central. Mr. Minetti has been with the railroad since 1942.

DIRECTORS

Inasmuch as the Company's stock is now of a single class, with cumulative voting rights, the number of directors was increased from nine to eleven, to permit wider representation for stockholders. At our annual stockholders meeting on December 3, 1956, the former directors were reelected and two new directors, Mr. Irving N. Like, a New York real estate and securities investor, and Mr. William I. Woodcock, Jr., vice president and general counsel, Reading Company, Philadelphia, Pa. were elected.

By Order of the Directors,

The Central Railroad Company of New Jersey.

March 15, 1957

JERSEY CENTRAL LINES

The Central Railroad Company of New Jersey

Statement of Consolidated Income

	Year ended Dec. 31 1956	1955
RAILWAY OPERATING REVENUE:		
Freight:		
Merchandise	$38,427,303	$36,154,276
Anthracite	5,941,599	6,176,435
Bituminous	8,180,765	6,175,876
	$52,549,667	$48,506,587
Passenger, Mail, Express and Other (Page 22)	10,326,947	9,807,461
Total	$62,876,614	$58,314,048
RAILWAY OPERATING EXPENSES:		
Payrolls	$32,928,023	$29,911,833
Material, Supplies and Other Expenses	13,520,786	13,079,480
Depreciation	3,224,595	3,152,414
Total Railway Operating Expenses (Page 22)	$49,673,404	$46,143,727
NET REVENUE FROM RAILWAY OPERATIONS	$13,203,210	$12,170,321
CHARGES TO NET REVENUE:		
Railway Taxes:		
Federal Taxes on Income (Note 4)	$ 637,000	$ —
New Jersey	3,374,241	3,388,740
Other	2,226,916	1,981,802
	$ 6,238,157	$ 5,370,542
Hire of Equipment	2,290,647	1,980,830
Joint Facility Rents	40,109	45,084
Total	$ 8,568,913	$ 7,396,456
NET RAILWAY OPERATING INCOME	$ 4,634,297	$ 4,773,865
FIXED CHARGES:		
Rent of Leased Roads	$ 2,360,919	$ 2,361,124
Interest on Funded Debt	1,932,779	2,050,930
Other	12,877	19,844
Total	$ 4,306,575	$ 4,431,898
	$ 327,722	$ 341,967
OTHER INCOME:		
Rent of Properties	$ 222,319	$ 252,402
Dividends	254,367	244,282
Interest	242,518	161,314
Other (net)	84,784	20,901
Total	$ 803,988	$ 678,899
NET INCOME	$ 1,131,710	$ 1,020,866

Statement of Consolidated Retained Earnings

Retained Earnings at December 31, 1955		$61,528,231
Net Income for the Year		1,131,710
Excess of Principal Amount Over Cost of Mortgage Bonds Acquired		813,653
Profit on Sale of Land (net)		213,324
		$63,686,918
Deduct Adjustments Relating to Prior Years:		
Loss on Uncollectible Accounts	$ 140,000	
Additional Provision for Injury Claims	180,000	
	$ 320,000	
Other Charges (net)	18,227	338,227
Retained Earnings at December 31, 1956		$63,348,691

JERSEY CENTRAL LINES

The Central Railroad Company of New Jersey

Consolidated Balance Sheet

Assets

	December 31	
	1956	1955
Current Assets (Note 2):		
Cash and Temporary Cash Investments	$ 6,009,025	$ 6,394,141
Accounts Receivable and Unbilled Revenue	7,268,494	6,076,899
Materials and Supplies	3,585,781	3,615,387
	$ 16,863,300	$ 16,086,427
Properties and Capital Funds:		
Properties Less Depreciation and Amortization (Note 3)	$131,668,339	$130,800,090
Funds for Investment in Properties or Retirement of Debt	3,990,012	5,042,269
	$135,658,351	$135,842,359
Investments and Advances at or Below Cost:		
Affiliated Companies (Page 19)	$ 7,558,781	$ 8,377,019
Other (Page 19)	1,970,356	1,996,932
	$ 9,529,137	$ 10,373,951
Less Provision for Possible Loss	1,728,934	1,728,934
	$ 7,800,203	$ 8,645,017
Other Assets:		
Prepayments and Deposits	$ 955,380	$ 938,762
Estimated Salvage Recoverable on Retirements	165,981	43,014
Miscellaneous Receivables and Items in Suspense	839,398	1,068,738
	$ 1,960,759	$ 2,050,514
	$162,282,613	$162,624,317

Liabilities

	1956	1955
Current Liabilities (Note 2)	$ 9,529,871	$ 8,275,090
Other Liabilities:		
Employees' Vacation Pay	$ 1,746,017	$ 1,660,000
Injury and Damage Claims	969,400	678,090
Miscellaneous Liabilities and Items in Suspense	817,945	778,651
	$ 3,533,362	$ 3,116,741
Long-Term Debt (Page 18):		
Mortgage Bonds Less Held in Treasury (Note 5)	$ 43,748,000	$ 45,795,000
Equipment Trust Obligations	13,630,000	15,300,000
Conditional Sales Agreements	1,818,421	1,168,622
	$ 59,196,421	$ 62,263,622
Shareowners' Equity:		
Capital Stock Authorized 460,000 Shares of $50 Par Value, Issued 457,915 Shares Less 19,877 Shares in Treasury	$ 21,901,900	$ 22,895,750
Other Paid in Capital	4,772,368	4,544,883
Retained Earnings	63,348,691	61,528,231
	$ 90,022,959	$ 88,968,864
	$162,282,613	$162,624,317

Accountants' Report

Peat, Marwick, Mitchell & Co.
Certified Public Accountants
Seventy Pine Street New York 5, N. Y.

To the Board of Directors and Shareowners
The Central Railroad Company of New Jersey

We have examined the consolidated balance sheet of The Central Railroad Company of New Jersey as of December 31, 1956 and the related statements of consolidated income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, subject to the final determination of liability for Federal income tax (Note 4), the accompanying financial statements present fairly the financial position of The Central Railroad Company of New Jersey and its consolidated subsidiaries at December 31, 1956 and the results of their operations for the year then ended, in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission applied on a basis consistent with that of the preceding year.

March 8, 1957. Peat, Marwick, Mitchell & Co.

Notes to Financial Statements

1. Principles of consolidation:
   All 100% owned subsidiaries have been consolidated except two non-railroad companies owning land.
2. Current assets and current liabilities:
   The accounting regulations of the Interstate Commerce Commission do not provide for the inclusion in current assets of prepayments, deposits, estimated salvage recoverable, etc., approximating $1,100,000, nor the inclusion in current liabilities of accruals for vacation pay, injury and damage claims and certain other items including long-term debt payable in the following year, approximating $4,600,000.
3. Properties:
   Consistent with the practice generally followed by Class I Railroads, no provision has been made for depreciation prior to January 1, 1944 of road property.
   The investment in properties consists of:

	1956	1955
Road	$ 89,969,636	$ 89,572,094
Depreciation and amortization	(7,792,946)	(7,224,291)
Equipment	75,217,806	73,496,259
Depreciation and amortization	(40,289,077)	(38,856,222)
Improvements on leased property	12,913,623	12,898,027
Depreciation	(1,002,890)	(1,105,682)
Miscellaneous physical property	2,652,187	2,019,905
Net total	$131,668,339	$130,800,090

4. Federal income tax:
   The amount provided for Federal income taxes in 1956 is after deducting a loss carry forward from 1954 of $939,000. Since 1955 the company has not applied amortization of emergency facilities for income tax purposes, and book depreciation now exceeds that shown on the tax return.
   The consolidated Federal income tax returns for years subsequent to 1952 are under examination by the Treasury Department. Should the returns for the years 1953-1955 be accepted by the Treasury Department as filed, a net refund of approximately $400,000 would be received. On the other hand if the reserve for vacation pay is allowed as a deduction only when paid and otherwise the returns are accepted as filed, there would be an additional net assessment of approximately $325,000.
5. Mortgage bonds:
   The trust indenture provides that until the outstanding bonds are reduced to $24,000,000 an amount equal to one-half of "available net income" for each year as defined in the indenture shall be applied to retirement of outstanding bonds on or before April 1 of the following year. This obligation may be met either by a payment of cash to the mortgage trustee or delivery of bonds at the company's cost of acquisition. Under this provision one-half of available net income for the year ended December 31, 1956 amounted to $882,982. The company has in its treasury sufficient bonds to surrender in satisfaction of this obligation.

JERSEY CENTRAL LINES

Long Term Debt—The Central Railroad Company of New Jersey

Mortgage Bonds

Date of Issue	Date of Maturity	Interest Due	Interest Rate	Total Amount Issued		Amount Actually Outstanding Dec. 31, 1956	
July 1, 1949	July 1, 1987	Jan. and July	3¼%	$48,731,000		$43,748,000	

Equipment Trust Obligations

Date	Equipment Securing Obligation	Interest Rate	Original Amount of Obligation	Matured This Year	Unmatured and Outstanding Dec. 31, 1956	Final Installment Matures
June 15, 1944 CRP	100—70-Ton Flat Cars 500—50-Ton Hopper Cars 1000—70-Ton Gondola Cars	2¼%	$ 3,720,000	$ 248,000	$ 744,000	June 15, 1959
June 15, 1947 CRP	5—4500 h.p. 3-Unit Road Freight Diesel Locomotives	2⅜%	1,605,000	107,000	642,000	June 15, 1962
July 15, 1947 CRP	1250—50-Ton Box Cars	2⅜%	3,750,000	250,000	1,500,000	July 15, 1962
Apr. 15, 1948 CRP	5—4500 h.p. 3-Unit Road Freight Diesel Locomotives	2⅝%	1,395,000	93,000	651,000	Apr. 15, 1963
Oct. 15, 1948	Diesel Units 13—1500 h.p.	2⅝%	1,500,000	100,000	700,000	Oct. 15, 1963
Apr. 1, 1950	5—1000 h.p. 7—1600 h.p.	2½%	1,350,000	90,000	810,000	Apr. 1, 1965
Apr. 1, 1950 CRP	125—70-Ton Covered Hopper Cars Diesel Units 3—1000 h.p. 4—1200 h.p. 5—1600 h.p.	2⅜%	1,815,000	121,000	1,089,000	Apr. 1, 1965
Aug. 1, 1951 CRP	9—1200 h.p. 13—1600 h.p.	3%	2,745,000	183,000	1,830,000	Aug. 1, 1966
Oct. 1, 1952	4—1200 h.p. 19—1600 h.p.	3½%	2,895,000	193,000	2,123,000	Oct. 1, 1967
Mar. 1, 1953	500—50-Ton Box Cars	3⅝%	2,460,000	164,000	1,968,000	Mar. 1, 1968
Apr. 1, 1954	4—Diesel Rail Passenger Coaches Diesel Units 7—2400 h.p.	3⅛%	1,815,000	121,000	1,573,000	Apr. 1, 1969
	Total		$25,050,000	$1,670,000	$13,630,000	

Conditional Sales Agreements

Sept. 14, 1951	Diesel Units 1—1000 h.p. 1—1600 h.p.	2½%	$ 260,324	$ 26,032	$ 127,107	Nov. 1, 1961
Nov. 1, 1952	2—1200 h.p. 13—1500 h.p.	3¼% 3⅝%	1,450,690	145,069	870,414	Nov. 1, 1962
Apr. 2, 1956	93—70-Ton Covered Hopper Cars	3¾%	586,644	36,665	549,979	May 1, 1964
Oct. 15, 1956	2—Diesel Rail Passenger Coaches	4½%	270,921	——	270,921	Feb. 1, 1963
	Total		$ 2,568,579	$ 207,766	$ 1,818,421	

The Central Railroad Company of New Jersey—Investments in Affiliated and Other Companies

Affiliated Companies

Stocks

	Date of Maturity	Percent of Ownership	Par Value		Ledger Value
			Pledged Under Genl. Mortgage	Unpledged	
Allentown Terminal Railroad Company		50%	$ 224,850	$ 150	$ 225,000
Bay Shore Connecting Railroad Company		50%	27,500	400	27,900
Central Railroad Company of Pennsylvania		100%	48,300	1,700	50,000*
Communipaw Central Land Company		100%	1,500	500	2,000
Dover and Rockaway Railroad Company		63.8%	95,000	700	91,955
Edroyal Corporation		100%	749,700	300	750,000
Elizabethport and New York Ferry Company		99%	—	1,460	1,460
Jersey Central Transportation Company		100%	19,500	500	20,000*
Mount Hope Mineral Railroad Company		68.3%	108,800	500	224,233
New York and Long Branch Railroad Company		50%	1,999,400	600	2,000,000
Railway Express Agency, Inc.		1.1%	No par	No par	1,100
Wharton and Northern Railroad Company		100%	499,300	700	1,025,767*
					$4,419,415
*Deduct companies included in consolidated balance sheet					1,095,767
Total					$3,323,648

Bonds

	Date of Maturity	Percent of Ownership	Pledged Under Genl. Mortgage	Unpledged	Ledger Value
Allentown Terminal Railroad Company First Mortgage Gold Bonds	July 1, 1974	46.67%	$ 210,000		$ 210,000
Dover and Rockaway Railroad Company 6% First Mortgage Bonds	‡Jan. 1, 1906	100%	=14,000		14,000
New York and Long Branch R. R. Co. 4% Cons. Mtge. Gold Bonds, Series "B"	Sept. 1, 1981	50%	1,256,000		1,256,000
New York and Long Branch R. R. Co. 5% Cons. Mtge. Bonds, Series "A"	July 1, 1979	50%	269,000		269,000
Total					$1,749,000

‡ Past Due

= Excludes $8,000 par value deposited with Hudson Trust Company, Hoboken, N. J., Trustee under the Dover and Rockaway Railroad Company Mortgage.

Note

	Pledged Under Genl. Mortgage	Ledger Value
Edroyal Corporation 1½%	$ 325,000	$ 325,000

Advances

	Ledger Value
Bay Shore Connecting Railroad Company	$ 5,917
Communipaw Central Land Company	1,190,616
New York and Long Branch Railroad Company	646,530
Railway Express Agency, Inc.	318,070
	$2,161,133
Total Affiliated Companies per consolidated balance sheet	$7,558,781

Other

Stocks

	Pledged Under Genl. Mortgage	Unpledged	Ledger Value
Lehigh and Hudson River Railroad Company	$ 786,900	$ 100	$ 748,287
Raritan River Railroad Company	494,900	400	839,610
Total			$1,587,897

Bonds

	Ledger Value
Miscellaneous	10,381

Mortgage

	Pledged Under Genl. Mortgage	Ledger Value
Tug and Barge Supply Company, Inc.	$ 372,078	372,078
Total Other per consolidated balance sheet		$1,970,356

JERSEY CENTRAL LINES

Equipment—As of December 31, 1956

Locomotives

Diesel:		Number of Units	Average Weight (Tons)	Average Tractive Power
Road Passenger	2000 H.P.	6	191.8	63,910
" Freight	1500 H.P.	20 "A"	125.1	62,550
" "	1500 H.P.	10 "B"	122.5	61,266
General Utility	1000 H.P.	6	123.4	61,688
" "	1200 H.P.	4	121.4	60,700
" "	1500 H.P.	27	127.2	63,580
" "	1600 H.P.	30	125.6	62,787
" "	1600 H.P. (6 Motors)	15	180.1	90,057
" "	2400 H.P. (6 ")	13	192.2	96,082
Yard Switchers		57	110.8	55,425
Total		188	24,822.5	12,219,453
Average			132.0	64,997

Freight Cars

	Number	Capacity (Tons)
Box	2,736	136,135
Coal	3,923	214,975
Gondola—Steel	1,757	122,920
Gondola—Steel Underframe	536	37,340
Ore	8	560
Flat	102	7,260
Cement	574	38,965
Caboose	117	—
Total	9,753	558,155

Passenger Cars

	Number
Coaches	316
Combination Passenger	38
Other Combination	10
Baggage & Express	70
Club	14
Diesel Rail Passenger Coaches	6
Total	454

Marine Department

	Number
Ferryboats	5
Tugboats (Diesel)	3
Open Deck Lighterage—Scows	7
Steam Hoist Lighters	5
Covered Barges	18
Car Floats	8
Water Pile Drivers	2
Company Service (Misc.)	4
Total	52

Rail Work Equipment

	Number
Business Cars	2
Locomotive Crane (Steam)	1
Locomotive Cranes (Diesel)	7
Locomotive Crane (Gasoline)	1
Miscellaneous Cars	125
Total	136

Motor Vehicles

	Number
Automobile (Pass.)	8
Trucks—Tractor	1
" —Trailers	22
" —Misc.	35
Busses (Maintenance of Way)	2
Total	68

Transportation Statistics

	Year 1956	Year 1955	Percent Increase
Train Miles:			
Freight	1,573,569	1,479,543	6
Passenger	2,122,425	2,117,690	—
Total Revenue Service	3,695,994	3,597,233	3
Work	48,240	69,872	♯31
Total Train Miles	3,744,234	3,667,105	2
Car Miles:			
Freight—Loaded	61,105,157	56,618,219	8
Freight—Empty	31,066,802	28,592,556	9
Total Freight (incl. Caboose)	93,743,035	86,688,519	8
Passenger—Handled by Diesel Power	13,001,470	12,831,003	1
Passenger—Handled by Steam Power	—	5,172	—
Total Passenger	13,001,470	12,836,175	1
Ton Miles Freight (Thousands):			
Gross Ton Miles—Handled by Diesel Power	4,616,152	4,191,829	10
Gross Ton Miles—Handled by Steam Power	—	—	—
Total Gross Ton Miles	4,616,152	4,191,829	10
Net Ton Miles (Thousands):	2,452,735	2,182,929	12
Freight Trains:			
Average Net Train Load	1,627	1,535	6
Average Gross Train Load	3,062	2,948	4
Average Train Speed	14.4	14.4	—
Freight Cars:			
Net Tons per Loaded Car	40.1	38.5	4
Percent Net to Gross	53.1	52.1	2
Percent Loaded to Total Car Miles	66.3	66.5	—
Car Miles per Car Day (of cars in service)	20.5	18.7	10
Net Ton Miles per Car Day (of cars in service)	508	438	16
Yard:			
Cars Dispatched per Yard Engine Hour	8.4	8.5	♯ 1
Cost of Fuel and Wages per Car Dispatched	$1.81	$1.65	10
Passenger Trains:			
Average Cars per Train	6.1	6.1	—
Cost of Fuel and Wages per Train Mile	$1.48	$1.41	5

♯ Denotes Reverse Figure

JERSEY CENTRAL LINES

The Central Railroad Company of New Jersey
Central Railroad Company of Pennsylvania

Wharton and Northern Railroad Company
Jersey Central Transportation Company

Revenues

Years	Freight Revenue	Passenger Revenue	Mail Revenue	Express Revenue	Other Transportation Revenue	Non-Transportation Revenue	Total Operating Revenues
1956	$52,549,667	$5,920,656	$1,349,162	$ 916,792	$505,325	$1,635,012	$62,876,614
1955	48,506,587	5,454,254	1,298,191	944,131	490,095	1,620,790	58,314,048
1954	46,841,524	5,353,772	1,506,428	955,078	514,929	1,330,391	56,502,122
1953	53,100,015	5,552,683	1,332,658	955,676	603,676	1,251,826	62,796,534
1952	54,504,290	5,816,784	1,274,422	1,051,151	588,210	1,392,845	64,627,702
1951	54,411,591	5,895,780	1,614,758	561,685	524,739	1,725,127	64,733,680
1950	50,788,750	6,035,395	923,362	546,361	492,756	1,369,693	60,156,317
1949	45,365,593	6,482,452	612,923	308,511	452,321	1,357,457	54,579,257
1948	53,905,753	6,781,867	493,611	708,723	468,250	1,731,253	64,089,457
1947	46,578,134	6,247,799	391,325	656,618	488,025	1,775,658	56,137,559

Expenses

Years	Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Trans-portation	Miscellaneous Operations	General	Total Operating Expenses	Percentages of Expenses to Revenue	Net Revenue From Railway Operations
1956	$8,589,492	$10,887,484	$ 928,364	$26,578,128	$ 44,979	$2,644,957	$49,673,404	79.00	$13,203,210
1955	8,518,990	9,982,526	867,354	24,314,403	67,948	2,392,506	46,143,727	79.13	12,170,321
1954	7,979,613	9,665,895	910,112	23,992,064	67,572	2,342,179	44,957,435	79.56	11,544,687
1953	8,964,107	12,152,321	982,339	25,736,801	69,546	2,519,338	50,424,452	80.30	12,372,082
1952	9,178,525	12,091,669	1,006,365	27,096,409	63,106	2,551,588	51,987,662	80.44	12,640,040
1951	8,993,584	12,191,373	984,027	28,496,106	92,637	2,718,183	53,475,910	82.61	11,257,770
1950	8,236,873	10,823,507	931,580	25,198,527	189,767	2,240,390	47,620,644	79.16	12,535,673
1949	7,215,850	9,476,853	915,349	24,451,184	335,446	2,582,518	44,977,200	82.41	9,602,057
1948	8,879,156	10,829,010	948,760	27,616,507	365,703	2,662,732	51,301,868	80.05	12,787,589
1947	7,049,268	10,033,639	887,981	25,523,021	316,294	2,260,026	46,070,229	82.07	10,067,330

Net Railway Operating Income, Fixed Charges and Net Income

Years	Net Railway Operating Income	Other Corporate Income (Net)	Income Available For Fixed Charges	Fixed Charges	Net Income
1956	$4,634,297	$ 803,988	$5,438,285	$4,306,575	$ 1,131,710
1955	4,773,865	678,899	5,452,764	4,431,898	1,020,866
1954	3,940,157	588,125	4,528,282	4,513,698	14,584
1953	5,090,705	586,998	5,677,703	4,457,422	1,220,281
1952	5,255,799	711,191	5,966,990	4,336,181	1,630,809
1951	4,517,720	675,019	5,192,739	4,248,379	944,360
1950	6,535,710	488,685	7,024,395	4,244,703	2,779,692
1949	3,991,688	♯ 188,914	3,802,774	4,648,969	♯ 846,195
1948	6,714,496	♯6,424,498	289,998	4,956,153	♯4,666,155
1947	3,313,257	1,043,934	4,357,191	4,892,975	♯ 535,784

♯ Denotes Reverse Figure.

Revenue Freight Traffic Statistics

Year	Average Mileage Operated	Revenue Tons One Mile Per Mile of Road	Average Rate Per Ton Per Mile (Cents)	Revenue Freight Train Miles	Average Train Load (Revenue Tons)	Average Gross Ton Miles Per Train Hour
1956	627.11	3,873,976	2.16	1,573,569	1,544	42,172
1955	627.53	3,440,963	2.25	1,479,543	1,459	40,917
1954	627.15	3,322,157	2.25	1,479,779	1,408	39,720
1953	631.27	3,633,994	2.31	1,554,668	1,476	39,112
1952	633.63	3,856,308	2.23	1,610,066	1,518	38,609
1951	635.93	4,102,970	2.08	1,744,220	1,496	39,359
1950	638.17	3,934,330	2.02	1,683,856	1,491	38,882
1949	642.86	3,421,890	2.06	1,570,855	1,400	39,266
1948	645.40	4,498,101	1.86	1,921,713	1,511	38,811
1947	647.37	4,484,852	1.60	2,007,623	1,446	36,500

Revenue Passenger Traffic Statistics

Year	Average Mileage Operated (*)	Passengers One Mile	Average Rate Per Passenger Per Mile (Cents)	Total Passenger Train Miles (X)	Total Passenger Train Miles Per Mile Road	Passenger Revenue Per Train Mile	
						Passengers Only	All Sources
1956	276.70	234,915,052	2.52	2,122,425	7,670	2.79	3.88
1955	276.70	221,097,087	2.47	2,117,690	7,653	2.58	3.67
1954	276.70	226,293,878	2.37	2,152,515	7,779	2.49	3.68
1953	287.76	232,847,416	2.38	2,255,519	7,838	2.46	3.52
1952	354.39	246,120,911	2.35	2,395,076	6,758	2.42	3.43
1951	354.41	259,020,932	2.25	2,425,654	6,844	2.40	3.34
1950	354.41	264,855,281	2.25	2,386,331	6,733	2.50	3.16
1949	354.41	296,440,401	2.16	2,594,090	7,319	2.47	2.85
1948	355.28	338,663,545	1.98	2,678,310	7,539	2.50	2.98
1947	357.01	378,570,401	1.93	2,746,755	7,694	2.25	2.66

(X) Including Express Trains.
(*) Excludes mileage used exclusively for Freight Traffic.

Track Mileage—December 31, 1956

	Miles of First Main Track	Miles of Additional Main Track	Miles of Yard Tracks and Sidings	Total All Tracks
Owned	377.78	185.00	420.11	982.89
Leased:				
Controlled through ownership of majority of capital stock	4.54	—	2.42	6.96
Not controlled	182.25	73.66	214.82	470.73
Trackage rights granted by other companies	62.54	50.82	39.81	153.17
Total miles of road operated	627.11	309.48	677.16	1,613.75

Freight Revenue by Commodities

COMMODITY	1956	1955
Products of Agriculture:		
Potatoes, Other Than Sweet	$ 56,257	$ 55,726
Malt	132,323	131,634
*Other Products of Agriculture	1,576,798	1,434,899
Total	$ 1,765,378	$ 1,622,259
Animals and Products:		
Meats—Fresh	$ 188,298	$ 181,828
Fish and Sea Animal Oil	70,734	111,188
*Other Animals and Products	314,382	277,030
Total	$ 573,414	$ 570,046
Products of Mines:		
Anthracite Coal (Prepared)	$ 5,654,623	$ 5,877,962
Bituminous Coal	8,135,230	6,094,601
Iron Ore	1,014,337	813,303
Zinc Ore and Concentrates	240,570	232,694
Sand, Gravel and Crushed Stone	1,914,859	1,505,058
*Other Products of Mines	2,260,280	2,236,774
Total	$19,219,899	$16,760,392
Products of Forests:		
Lumber, Shingles and Lath	$ 616,591	$ 645,841
*Other Products of Forests	343,273	341,318
Total	$ 959,864	$ 987,159
Manufactures and Miscellaneous:		
Refined Petroleum Products	$ 1,752,899	$ 1,669,245
Chemicals—Acids	2,352,505	2,398,346
Sodium (Soda) Products	1,180,385	1,176,372
Alcohol	447,680	448,133
Fertilizers	228,057	191,505
Paints, Putty and Varnish	257,587	285,801
Copper, Brass, Lead, Zinc	1,020,346	1,114,806
Manufactured Iron and Steel	2,349,360	1,911,526
Cement	4,357,212	4,465,232
Printing Paper	918,752	845,694
Paper Products	904,036	862,219
Glass Bottles, Jars and Packing Glasses	656,897	632,223
Liquors—Malt	252,945	269,154
Scrap Iron and Scrap Steel	1,773,023	1,737,223
*Other Manufactures and Miscellaneous	10,142,550	9,433,626
Total	$28,594,234	$27,441,105
Forwarder Traffic CL	$ 997,501	$ 910,337
Grand Total—Carload Traffic	52,110,290	48,291,298
Less Than Carload Traffic	810,147	792,500
Grand Total Carload and LCL Traffic	$52,920,437	$49,083,798

* Includes Wharton and Northern Railroad Company, which does not prepare statistics for individual commodities.

JERSEY CENTRAL LINES

Freight Traffic Offices

Jersey Central Lines maintains Freight Traffic Offices in the cities listed below. Agents in charge of these offices are eager to give every assistance to shippers. You can help us by urging your shipper friends to ask these Agents about Jersey Central Lines service. Or tell your nearest Agent of prospective business that comes to your attention. He'll carry on from there, promptly, courteously and thoroughly.

ALBANY 7, NEW YORK	J. C. Powers, General Agent 11 The Plaza—Phone Albany 3-4547
ALLENTOWN, PENNSYLVANIA	J. H. Weiss, Division Freight Agent Allentown, Pa., Passenger Station Phone Hemlock 5-4721
BOSTON 10, MASSACHUSETTS	J. M. Gehring, General Agent 626 Chamber of Commerce Building Phone Liberty 2-5320
BUFFALO 3, NEW YORK	C. R. Everding, General Agent 532 Ellicott Square Phone Washington 1274
CHICAGO 3, ILLINOIS	E. P. Seiwert, General Western Freight Agent 3324 Bankers Building, 105 West Adams Street Phone Randolph 6-1816
CLEVELAND 14, OHIO	F. F. Siegel, General Agent Room 407, Park Building Phone Cherry 1-0968
LONG BRANCH, NEW JERSEY	L. J. Evans, Division Freight Agent Phone Capitol 9-0486
ELIZABETH, NEW JERSEY	E. T. Ginder, Division Freight Agent 405 Division Street Phone Elizabeth 2-7500
NEW YORK 6, NEW YORK	B. J. McSweeney, General Freight Agent 143 Liberty Street Phone Barclay 7-9700
NORTHAMPTON, PA.	B. M. Haberern, General Agent Northampton, Pa., Freight Station Phone Colonial 2-4261
PHILADELPHIA 2, PENNSYLVANIA	F. H. Hicks, Assistant General Freight Agent Room 1610, Girard Trust Co. Bldg. 1400 South Penn Square Phone Rittenhouse 6-7390
PITTSBURGH 22, PENNSYLVANIA	C. E. Armstrong, General Agent Room 801-802, Park Building Fifth Avenue and Smithfield Street Phone Atlantic 1-7404
ST. LOUIS 1, MISSOURI	C. H. McNab, General Agent 532 Arcade Building, 812 Olive Street Phone Central 1-4760
WHARTON, NEW JERSEY	W. J. Desmond, General Agent Main Street Phone Foxcroft 6-0129
NEW YORK 6, NEW YORK 143 Liberty Street Phone Barclay 7-9700	Harry W. Dorigan *Vice President-Traffic* John F. Hourigan *Freight Traffic Manager (Rates)* Victor L. Pernter *Freight Traffic Manager (Sales and Service)* James S. Watson *Coal Traffic Manager*

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